



LABOR AND EMPLOYMENT LAW
ON BEHALF OF MANAGEMENT
AND RELATED LITIGATION

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June 9, 2005
(By Fax and by Mail)

Honorable Daniel R. Dominguez
U.S. District Court Judge
U.S. D..C. Puerto Rico
129 U.S. Courthouse
150 Carlos Chardon Ave.
San Juan, Puerto Rico 00918-1766
Tel 787- 772-3163
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Re: Case No. 98-1306, Graham-Field, Inc. et al. v. E-1 Enterprises, Inc. (Tuffcare)

Dear Judge Dominguez,

The U.S. Bankruptcy Court in Delaware has approved of the Settlement Agreement. I have attached a copy of the Order Authorizing the Settlement. This means that we can now make arrangements for the fine of \$10,000 to be transferred to my client per the Settlement Agreement.

I have not sent this letter or Order to the Clerk of the Court. I believe that the last Order of this court was an Order that terminated the case. If the Court desires that this be filed with the Clerk please advise me. Thank you.

Very truly yours,

A handwritten signature in black ink that reads "Kenneth Mc Culloch". The signature is written in a cursive, flowing style.

Kenneth Mc Culloch

cc: Ignacio Fernandez de Lagangrais, Esq. by fax to 787-754-7504 and by Mail

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

GRAHAM-FIELD HEALTH PRODUCTS,
INC., a Delaware Corporation, et al.¹

Debtors.

Chapter 7

Case No. 99-04457 (DDS)

(Jointly Administered)

Docket Reference No. **3948**

**ORDER AUTHORIZING AND APPROVING THE SETTLEMENT OF LITIGATION
IN THE DISTRICT OF PUERTO RICO AGAINST E1 ENTERPRISES, INC.**

Upon consideration of the Motion of Alfred T. Giuliano, the Chapter 7 Trustee (the "Trustee"), for an Order Authorizing and Approving the Settlement of Litigation in the District of Puerto Rico Against E1 Enterprises, Inc. (the "Motion"), and no objections to the relief requested and the Motion having been filed and/or any filed objections having been consensually resolved, withdrawn or overruled; and after due deliberation and sufficient cause appearing therefore, it is

ORDERED as follows:

1. The Trustee's Motion is GRANTED.
2. The Settlement Agreement attached to the Motion as Exhibit "A" is approved.

¹ Debtor and Affiliated Debtors: Graham-Field Health Products, Inc. Case No. 99-4457; Everest & Jennings, Inc. Case No. 99-4458; Health Care Wholesalers, Inc. Case No. 99-4459; LaBac Systems, Inc. Case No. 99-4460; Graham-Field, Inc. Case No. 99-4461; Basic American Medical Products, Inc. Case No. 99-4462; Lumex Medical Products, Inc.; Case No. 99-4463; MUL Acquisition Corp II Case No. 99-4464; Everest & Jennings International, LTD. Case No. 99-4465; Medical Supplies of America, Inc. Case No. 99-4466; Rabson Medical Sales, Ltd. Case No. 99-4467; Graham-Field Bandage, Inc. Case No. 99-4468; Graham-Field Express (Puerto Rico), Inc. Case No. 99-4469; Lumex/Basic American Holdings, Inc. Case No. 99-4470; Graham-Field Temco, Inc., Case No. 99-4471; Graham-Field Express (Dallas), Inc. Case No. 99-4472; Smith & Davis Manufacturing Company Case No. 99-4473; Kuschall of America, Inc. Case No. 99-4474; Lumex Sales and Distribution Co., Inc. Case No. 99-4477; Basic American Sales and Distribution Co., Inc. Case No. 99-4478; Graham-Field Distribution, Inc. Case No. 99-4479; HC Wholesalers, Inc. Case No. 99-4480; Critical Care Associates, Inc. Case No. 99-4481.

3. The Trustee is authorized to execute the Settlement Agreement and/or any release or other document necessary to effectuate the settlement of the Litigation, and accept and disburse the settlement proceeds accordingly, pursuant to the terms of the Settlement Agreement, without further order of the Court.

Donal D. Sullivan

DONAL D. SULLIVAN
United States Bankruptcy Judge

Dated: *May 25, 2005*
Wilmington, Delaware
1464573v1